

The Transcendental Force of Money: Social Synthesis in Marx

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Instead of defining money as a means or tool for social communication and exchange, Marx determines money as the really existing universal and the existing form of an abstract social mode of domination. His conception is the consequence of transforming Kant's concept of "thinghood" into a social and material concept, which most scholarship overlooks. As such, it confronts us with the problem of how we should think of really abstract social relationships and a form of social reproduction that is itself abstract because it depends upon the money form. In this paper I first analyze Marx's early concept of money as the "thing-in-itself," after which I reconstruct how this aspect is finally turned into a social concept in the Grundrisse.

Key Words: Abstraction, *Grundrisse*, Immanuel Kant, Karl Marx, Money

As early as 1844, in his comments on James Mill, Marx writes the following about money:

The complete domination of the estranged thing over man has become evident in *money*, which is completely indifferent both to the nature of the material, i.e., to the specific nature of the private property, and to the personality of the property owner. What was the domination of person over person is now the general domination of the *thing* [*der Sache*] over the *person*, of the product over the producer. Just as the concept of the *equivalent*, the value, already implied the *alienation* of private property, so *money* is the sensuous, even objective existence of this *alienation*. (Marx and Engels 1956–90, 40:455)¹

These remarks on money are remarkable for several reasons, even if we find Marx still operating here within an anthropological framework that has not yet grasped the specific social form that money takes in capitalism. In addition to an early formulation of the concept of reification that points forward to Georg Lukács's and Theodor W. Adorno's appropriations of Marx's philosophy, we should point out that Marx in this remark is very much interested in money as a specific mode through which social individuals establish their mode of sociality. Although in this text Marx determines money as a medium, he does not have a functional definition in mind, as

1. If not otherwise stated, all translations are taken from the "Marx and Engels Internet Archive," *Marxists Internet Archive*, <http://www.marxists.org/archive/marx/index.htm>.

we find in many modern conceptions of money; instead of defining money as a means or tool for social communication and exchange, Marx's take on money goes much deeper here insofar as he indicates two aspects of money: (1) money is the really existing (i.e., sensuous) actualization of something not directly visible (i.e., value), the relation of which Marx determines as alienation; (2) money is the really existing form of a social mode of domination—namely, the domination of something that is itself abstract. Marx's formulation about money being “completely indifferent” (*vollständige Gleichgültigkeit*) and his usage of “the” thing (“*der*” *Sache*) refers to both something universal (*a*) as well as one—namely, *the*—thing (*b*), which is the philosophical conception of a universal. Accordingly, money is introduced here as a combination of *a* and *b*. These two aspects are indeed astonishing since in this combination we can see how an analysis of money implies not only philosophical conceptions, such as the problem of how we can think of and determine a really existing universal, but also social problems, such as the problem of how we can think of and determine really abstract social relationships within a form of social reproduction that is itself abstract and that structures modes of domination through thing-like and reified formations.

Though the concept and phenomenon of money have many more aspects, for the purpose of this paper I retreat from dealing with these other aspects and focus on the differences in an idea that Marx puts forward in his early philosophy and yet again in the *Grundrisse*, as we find in the *Grundrisse* a more transparent formulation of what money is than in *Capital*. My remarks are fitted neatly to the German debate concerning Marx's theory of value as a monetary theory of value. In addition to looking at authors such as Backhaus (1997) and Reichelt (2008), I focus more on the social aspect of Marx's concept of money (following Heinrich 2005), as it seems to me that this aspect—important for a critical theory of society—sometimes gets lost in discussions of money reduced to economic considerations. For Marx, economics in the narrow sense is part of a larger theory of social reality, and as Heinrich points out, Marx's theory of value is not about the relation between labor and value; rather, it intends to explain and analyze the “specific social character of commodity-producing labor” (Heinrich 2005; my translation). Similarly, though I at least partly agree with Chris Arthur (2005) on his strong Hegelian reading of the relationship between value and money, I think that his interpretation is in danger of losing its impact for a critical social theory, within which money can be analyzed as the hinge between “invisible” forces such as capital and value, and for the critical analysis of these forces as *really existing* social relations. Put differently, not only do we need to understand that money is the *necessary* existence of value (which Arthur's work perfectly demonstrates), but we also need to analyze the consequences of this understanding for a theory of social synthesis regarding social unification (as outlined in the introduction to the *Grundrisse*), for the concept of community, and for really abstract forms of social organization and “abstract culture” (Toscano 2008). The latter analysis would allow us to push recent forms of critical theory, such as that of Habermas and Honneth, back toward Marx, as these authors have given up the idea of integrating their theories of society into a social ontology.

Marx's analysis of money is truly remarkable because it neatly shows how epistemological concepts that he took from Kant and Hegel can be turned into social

concepts, thus allowing us to develop a materialist concept of society as a substitute for subjective and constructive conceptions. As such, Marx's theory can be confronted in yet another context, within contemporary discussions about the ontological status of the social, all of which should avoid reductions of his theory of money to economic considerations proper (for example, Freeman 2001).

Accordingly, in the following I would like to point out a few aspects of the philosophical inheritances found in Marx, after which I discuss his turning of them into a materialist social theory. My considerations are developed in two steps, following the development of Marx's theory: I first analyze Marx's early concept of money as the thing-in-itself and as social synthesis, after which I reconstruct how these two aspects are turned into a social concept. At stake in my understanding of money in Marx is not only a revised picture of social reality that is lost in recent critical theory but also the reinjection of a philosophical horizon into debates that point to a missing link in empirical, economic, cultural, and sociological treatments of money. The larger issue, then, surrounds whether we should understand money as a major factor in the *constitution* of social reality rather than understanding it only as a function or a medium in an already *constituted* social reality.

Money as the Thing-in-Itself (1844)

In his considerations on money in the *Economic and Philosophical Manuscripts of 1844*, Marx writes the following: "By possessing the *property* of buying everything, by possessing the property of appropriating all objects, *money* is thus *the* object [*der Gegenstand*] in the eminent sense. The universality of its *property* is the omnipotence of its essence [*Wesen*]. It is therefore regarded as an omnipotent being [*Wesen*]" (Marx and Engels 1956–90, 40:563; translation and emphasis altered).

Three aspects are important in this quote: (1) Marx defines money as *the* object; (2) it becomes a force, in the metaphysical sense of the term, as something that potentially determines *all* entities (*alle Gegenstände*); and (3) it becomes the *universal* mediator of social life. That which determines a thing is, understood philosophically, its thinghood. But how is this related to the question of how epistemological concepts are transformed into social concepts? With the explicit phrase "*the* thing [i.e., objecthood] in the eminent sense," Marx refers to a Kantian and Hegelian background. In brief, for Kant the conditions of the possibility for representing reality are given through a rational structure that determines every experience and makes it possible for us to have a representation at all. The most abstract structure is that of an object as such. Before we can have any experience at all, our reason projects (in advance, so to speak) a "super-concept" of reality, which is the concept of object or objecthood. The famous categories that Kant determines as the pure part of reason constitute this objecthood and thereby enable humans to refer to something *in* the world and to encounter *specific* objects, such as *this car* or *that tree*. It is clear that objecthood must be universal in nature and, as such, that it is not identical with empirically encountered things in our world; rather, it is what makes any representation of empirical objects possible.

If we now go back to Marx, we see not only the root of his concept of categories but also that he thinks about money in a very similar fashion. Though in the end his thoughts on money are influenced by how Hegel defines “the thing” in chapter three of his *Phenomenology of Spirit*, we can see that Marx thinks of money as something that is, so to speak, the social replacement of *the* epistemologically defined object (i.e., of objecthood). Although money remains “hidden” behind a veil of empirical experiences and the natural appearances of things (their natural properties, for instance), money nonetheless defines objects as what they are, and it establishes itself, thereby, as an almost metaphysical force lying behind everything, potentially determining all possible social relations and, as Marx indicates in the above quote, all entities. One could argue that money is exclusively related to commodities and not to all things, but this position should be rejected, as such a position operates with an incorrect concept of commodity. According to Marx, whom I follow in this regard, commodities are not mere empirically existing objects; rather, they are determined by their *form*. What interests Marx is the *form* of commodities, not their individual existence. As this form is universal, once we understand it as money and capital (processing money), it can *potentially* determine *every* being.

As this does not seem to be plausible at first glance, let us consider an example: when we go into a supermarket we can see, at least if we are in the Western world, a range of products. An average supermarket in a Western country holds around 40,000 different items. In their empirical appearance, these products all seem to be different, given that their natural properties differ. Some are bigger, some are smaller, but they all fight for our attention through a host of other properties, such as color, shape, packaging, and symbols. Now, what is it that makes these objects all identical and defines them *as* objects in this space? First of all, it is the fact that all these products can be bought with money or, put differently, that they can be exchanged with money. So, money is, in this case, really *the* object that we encounter when we go to the supermarket, since all these objects receive their existence only through the universal condition of their possibility, which is, in this case, money. Thus, it is also clear that money determines all social relationships contained in the universality of this “super-object” called money.

Further, all commodities found in the supermarket are only there because they contain a myriad of relations that are governed through production and other exchanges. The materials come from someplace on earth, the designs come from product design companies, the ingredients have to be chemically tested and perhaps discovered through research in the biosciences. Someone had to produce all the products, first assembling and then transporting them. Finally, money defines every step we take and every step we *can* take in the supermarket; indeed, we can only leave the building with objects if we pay. The sole reason for the *actual* “encounter” of individuals in the supermarket is money. The concrete social relationships established are absolutely *inessential* to the individuals moving around in this space and are *abstractly defined* by something else that remains hidden behind every one of those concrete relationships. Even the exchanges at the checkout counter are determined (i.e., made possible) by money.

Accordingly, the only “tie” between individuals in a supermarket is money, insofar as it establishes their relationships, their needs, and who they are as buyers.

Subjectively, they might think that it was their *intention* or their *will* to go to the store, to buy something for their needs, and to chat with the nice person at the checkout, but this is partly an illusion. The real reason for everything that happens and the real reason that this practice is even possible is money (taken here as the short version of what Marx would later call *processing* money—i.e., capital). Marx has precisely this in mind when he speaks of money as the mediator of everything. It is therefore clear that we need to think about money more as a *force* in reality (i.e., as something that frames everything in a hidden and unconscious way) than as a function to express value or as a means for exchange and communication. Put bluntly, we see the objects in the supermarket because the money form of the objects is the hidden objecthood that renders possible our references to them, including our actions, behavior, and attitudes. In short, a “thing” in a capitalist world is something that appears *already* in a certain social form *before* we can refer to it in any abstract cognitive or epistemological fashion (if such a thing is possible at all).

For example, when Marx begins *Capital* with the remark that the wealth in capitalist societies “appears as an immense collection of commodities” (Marx and Engels 1956–90, 23:49), he points to the problem I have in mind. On the one hand, things are not simply bare objects under capitalism; rather, they are encountered as a particular *kind* of thing, in this case as *commodities*. By commodities we do not simply mean soup cans and pizza boxes; rather, commodities are themselves the expression of social relations. As such, in principle everything can become a commodity under capitalism. Accordingly, commodities are not ontologically fixed objects, such as trees or artworks (which themselves can become commodities); instead, what we mean when we refer to a commodity is a *form*. However, the form under which these things appear *as commodities* remains hidden and needs exposure (through either a critique of political economy or by phenomenology) in order to show that *the* thing is not an object for perception but is schematized as a social relation (above all in the form of money).

So, again, encountering “objects” in capitalism means to encounter them *as* money, *as* exchangeable, and so on. This form needs to be conceived as social and as historically specific (Postone 2009, 315), given that money is simply a determination and the way individuals encounter each other in capitalism, as well as how they are forced to regulate their “becoming social” (*Vergesellschaftung*).

Money as Independent Thing and as Social Relation

In contrast to traditional approaches to money, Marx, as we know, argues that money is the necessary condition and result of the exchange process, since otherwise the internal contradictions of the simple value form are unable to be resolved. In brief, money is the result of the universalization of the value form, through which products establish their exchangeability. This value form becomes total when all products can be exchanged with all products. As value cannot be a property of a single commodity, it has a “purely social reality” (Arthur 2005, 114), and all products need to express their value in the *same* equivalent, which is itself the social relation of all with all. This sameness cannot be reduced to something imagined and subjective; rather, it is

posited *in* and *as* money. The question of whether money additionally and even necessarily must be constituted subjectively in order to “count” as money leads to a host of difficult philosophical problems. Marx himself seems to be ambivalent in regard to this problem at least up to the publication of *A Contribution to the Critique of Political Economy* in 1859, and especially at the beginning of the *Grundrisse* (for example, see Marx and Engels 1956–90, 42:78–80). In addition, the often-debated question of whether fetishism in all of its forms (commodity, money, capital) is subjective, objective, or both, is ultimately tied to the question of money.²

In any case, we need to claim that money (at first) is nothing else than this sameness and universality of equivalency. Without money the value of commodities could not be related to each other in their *totality*. This general *value form* begins really *existing* as the *money form* through individuals exchanging their products (a category to which potentially all entities belong) in real exchange acts. Unconsciously and unknowingly, individuals reproduce the social relation with each exchange act, establishing a *real* abstraction. Because money does not merely function as a means to make the exchange easier, individuals establish with every exchange act a relationship with the totality itself, and they unknowingly reproduce this totality through each act (see Marx and Engels 1956–90, 13:18). What remains hidden to these agents is the new relationship between the social totality and themselves, which turns, through the exchange act, into an *external* relationship. Money, in other words, establishes itself as the synthesis and the thing-in-itself in all of these exchanges, inasmuch as it remains untouched, so to speak, by the exchange process. Moreover, once it takes on the capital form, something paradoxical happens: namely, the faster money moves around, the more independent money itself becomes. We can see here an analogy to the Kantian epistemological problem: as fleeting reality and changing sensibility do not allow our reason to establish a stable relationship with reality/nature, the categorically fixed relation establishes through representation a *fixed* relation to nature and the thing-in-itself as independent from fleeting reality. The “thing” here means thinghood: that is, what a thing is *as* a thing. The categorically determined relationship, in other words, makes up thinghood.

Marx transfers the structure of Kant’s first *Critique* into a materialist framework in which money is determined as *thinghood*, for money determines the frame under which individuals can establish and refer to entities. As money remains the only *independently existing* thing in all of these exchanges, it establishes itself as the quasi “transcendental force” (Marx and Engels 1956–90, 81; translation mine) behind everything, even if Marx no longer conceives this as a universal structure of reason but instead as a historically determined social form. It is *quasi*-transcendental, for it is related to social ontology and, accordingly, remains a *social* force. The money form is seen here as the general schema that controls and frames all relationships and all

2. See also Reichelt (2008, 143–70) for his Hegelian solution to the “subject-object” problem and his rejection of neo-Kantian conceptions of money. I would like to thank the reviewer of this essay, David F. Ruccio, for his critical questions, helpful comments, and requests for revisions, and in particular for pointing out the problem of the subjective constitution of money. As it cannot be fully resolved in this essay, for brevity’s sake I have left this question open. I admit, it is difficult to argue for an objectivist conception of money, though I try to point out in this essay that we need (at least) to start with such a conception.

object references in a capitalist social totality. As Marx points out, money existed before capitalism, but it did not frame all possible relations. In the *Grundrisse*, Marx takes the materialist turn of the epistemological question and transforms it more visibly into a social framework, writing: “Money thereby directly and simultaneously becomes the *real community* [*Gemeinwesen*], since it is the general substance of survival for all, and at the same time the social product of all. But as we have seen, in money the community [*Gemeinwesen*] is at the same time a mere abstraction, a mere external, accidental thing for the individual, and at the same time merely a means for his satisfaction as an isolated individual” (Marx and Engels 1956–90, 42:152).

We can see here that the next step in Marx’s consideration of money is to reinscribe money as the Kantian—and, if we take the capital form into account, Hegelian— independent thing, with universal objecthood as a materialist framework, by showing that money is itself nothing other than a specific form of social relationship: namely, a form under which individuals are socialized and synthesized as social individuals through something external and thing-like that in turn transforms the relationship into something abstract. As money is the universal and really existing thing that establishes the social totality, it establishes all social relations as well as the external relations that individuals have to this totality.

This Marxian idea is the materialist translation of the Kantian concept of thinghood, which also establishes itself as *independent* from fleeting reality. Already in *The German Ideology*, Marx writes: “With money every form of intercourse, and intercourse itself, is considered fortuitous for the individuals” (Marx and Engels 1956–90, 3:66). By “fortuitous” Marx has in mind that, “with money,” all relations, transactions, relationships, contacts, and so on are turned into something *separated* from individuals. This, in turn, determines the form under which individuality appears under capitalist conditions—that is, as the result of the money form. In other words, money remains untouched by concrete relations and therefore makes up the universal frame through which these relations are formed. The way in which we are individuals under capitalism is the result of the money form, for on one hand we separate ourselves from ourselves in the most extreme way, and on the other this abstract relation is itself *the* universal relation. Hence, social relations are *accidental* to us. As Marx puts it as early as in *The German Ideology*, individuals “become abstract individuals, but who are, however, only by this fact put into a position to enter into relation with one another *as individuals*” (Marx and Engels 1956–90, 3:67). As soon as money begins to establish itself as the externally existing placeholder for every entity, money can no longer be conceived as a means for exchange, for it has become the really existing social form of labor and production.

Accordingly, money is no longer a fixed entity; instead, we see that money is not a thing (paper, symbols, etc.). Indeed, money is a social form that regulates how individuals can be related to each other in the first place. As Elbe (2010, 137) remarks, money is neither a natural property of things nor a conventional result for making barter exchange easier; rather, money is the “expression of a specific form of sociality [*Vergesellschaftung*] that is mediated by things and outside the control of agents” (translation mine; see also Harvey 2010, 65).

In the first version of *Capital*, the so-called Ur-text, Marx puts it this way:

The individuals confront each other only as proprietors of exchange values, as individuals who have given themselves reified existence [*Dasein*] for each other through their product, the commodity. Seen from the standpoint of the social exchange under way in circulation, without this objective mediation, they have no relation to each other. They exist for each other only in reified form [*sachlich*], something that is further developed in the money relation, through which their community itself appears as an external and hence as an accidental thing for all. (Marx and Engels 1980, 53; translation altered)

On one hand, social synthesis, the association of individuals and the community, is established as something that appears as an *independent* and *external* thing and therefore as a universal (i.e., thinghood). As abstract universal, however, this appears as *accidental* to individuals. Consequently, although the universal relation remains external to individuals, it nevertheless constitutes their social coherence and their sociality. Hence, this sociality is itself abstract. But as a universal (the first level of which is exchange value), it can only exist in a really existing form, which is the money form. Money, consequently, changes the whole character and form of how individuals are related to each other under capitalism as dependency increases, on the one hand, and as this dependency appears as something accidental to individuals, on the other. Marx's dialectical theory of money as a social form, in other words, allows us to conceptually grasp the nature of modern atomism and individualization.

Consequences of the Foregoing Considerations for Critical Theory

We should now be able to outline how the philosophical concept of money outlined in this essay allows us to push recent forms of critical theory (e.g., that of Habermas and Honneth) back to Marx after they have given up the idea of integrating their theories of society into a social ontology, which one could interpret as a move to transform philosophical questions (i.e., what constitutes social *reality*) into sociological questions (i.e., analysis of *constituted* reality). In agreement with Lukács, I believe that such a move is unjustified and should be framed by ontological questions that are related to the social sphere. The “economistic” understanding of categories turns basic social determinations into empirical phenomena; this should be rejected, as it presupposes and implies a social ontology.

Even self-declared Marxists, such as Michael A. Lebowitz, fall into this trap. In a recent interview, Lebowitz said that the “essence of capitalism” is the exploitative relation between labor and capital.³ Though it is correct to claim that we find in capitalism a conflict between laborers and capitalists, this claim does not lead to a philosophical understanding of the categorical framework that makes (as a whole) the *division* between laborers and capitalists possible. Value in the form of money,

3. The interview is available online: <http://mrzine.monthlyreview.org/2013/lebowitz210313.html> (accessed 24 May 2013).

interest, state, and so on is the *condition of the possibility* of the antagonistic and *objective* positioning of laborers and capitalists. Though these conditions are not independent from social agents, they can also not be reduced to anthropological units. In contrast, approaching Marx (and money) *philosophically* means to avoid definitions of any kind. Capitalism is not something that has “x amount” of properties; rather, it refers to a system under which every entity is determined by *capital*, or what Marx calls “processing money” (Marx/Engels 1956–90, 26.3:134, 23:170). To be sure, this anti-positivistic position should not lead us to its counterpart, the speculative thesis that “totality” means the *identity* of everything with each other, which could be achieved ontologically only if production and consumption were indeed *identical*. As Lukács (1984, 604; see also 1978, 60) points out in his later ontology, the Marxian position is neither positivistic nor speculative: “Marx warns against making the irreducible, dialectical and contradictory unity of society, a unity that emerges as the end product of the interaction of innumerable heterogeneous processes, into an intrinsically homogenous unity, and impeding adequate knowledge of this unity by inadmissible and simplifying homogenizations of this kind. We may add that whether this homogenization is speculative or positivist, it amounts to the same thing in this respect.”

The difference between a philosophical conception and a social conception or positivistic conception of capitalism is that the latter two do not have a *conception* of what they are trying to understand. A positivistic starting point misses the whole phenomenon that it tries to reconstruct, for it presupposes that capitalism is “something” that is *given* independently of the reconstructing method and that capitalism can therefore be observed or analyzed independent from the conception *already* investigated. This is the subject of one of Marx’s main critiques of bourgeois economic thought, as such theories start with something that they do *not* genetically reconstruct and that they thereby need to posit as external to its own internal development. Consequently, they do not understand that capitalism refers to a historical social *form* rather than something that exists like a *thing*. The concept of totality that is implied in the concept of form is not “totalitarian” or “totalizing” inasmuch as the dialectical concept of totality contains its own negation (i.e., the concept of capitalism already contains its negation). Indeed, “dialectical totality” means that every element of the social reality is *mediated* with the others in what Marx refers to as an “organic system:” “While in the completed bourgeois system every economic relation presupposes every other in its bourgeois economic form, and everything posited is thus also a presupposition, this is the case with every organic system” (Marx and Engels 1956–90, 42:203).

As Marx argues in the introduction to the *Grundrisse*, the reproduction of social reality through labor is only possible if production, consumption, and circulation hang together internally. Social reality, in other words, is not something within which the “spheres” of production, consumption, and circulation are separated from each other, as if they would form three social realities instead of only one, for that would be logically impossible. Unfortunately, the move from a philosophical conception of social synthesis and social totality (i.e., the *constitution* of social reality) toward an empirical analysis of *constituted* reality remains conceptually unsatisfactory. The concept of money as I have outlined it contributes to this framework and explains the *unity* of this constitution.

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